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TAGS: PGOV PREL PINR NU
SUBJECT: FORMER MRS CANDIDATE JARQUIN HOPES TO UNITE FORCES FOR THE MUNICIPAL ELECTIONS

Classified By: Ambassador Paul Trivelli for reasons 1.4 (b and d)

¶1. (C) SUMMARY: Former Sandinista Renovation Movement (MRS) presidential candidate Edmundo Jarquin told Embassy officers and INR analysts that he is focusing on the municipal elections and uniting forces opposed to President Daniel Ortega during a meeting on 23 March at his residence. Jarquin reported that he is acting as the political coordinator for the MRS and has met with some success in obtaining media coverage for the party. He is also working for the United Nations in Panama and Spain. He commented that he has now established himself in Managua but will be traveling several times a month to Panama and Spain. END SUMMARY

Focused on the Municipal Elections
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¶2. (C) Jarquin told emboffs and INR analysts that he is focused on the 2008 municipal elections and stated that the lack of media exposure and good political analysis, along with the typically high abstention rates for municipal elections, are obstacles for his party. Jarquin commented that during the last few months of the national campaign, the MRS did not have enough presence or coverage in the press. The party will focus on avoiding the same problem during the municipal elections.

¶3. (C) Jarquin shared that he is working with the Nicaraguan Liberal Alliance (ALN) to form an alliance for the municipal elections. He met with ALN leader Eduardo Montealegre in mid-March to discuss such cooperation. Jarquin believes that if the ALN and MRS unite for the municipal elections, and choose consensus candidates, they stand a chance of winning a majority of the departments. However, the parties would need to select candidates through a democratic process enough in advance of election day to allow time for the public to become familiar with them.

¶4. (C) An alliance between the MRS and ALN would be the first step in changing the current political dynamic, according to Jarquin. The alliance then could try to pull in some support from the Liberal Constitutional Party (PLC); Jarquin mentioned Maximo Rodriguez and Enrique QuQ,6hwyrtega's actions, they do not support the MRS. Jarquin did comment, however, that he has received some notes from FSLN deputies telling him they like what MRS deputies Monica Baltadano and Enrique Saenz are doing in the National Assembly.

Political Analysis Sorely Needed
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¶5. (C) According to Jarquin, there is nobody in Nicaragua doing serious economic or policy analysis of what is happening in the country. Internal reports by the parties say different things, which will lead to errors in formulating political strategies in Jarquin's opinion. Small parties experience particular difficulty in this regard.

Jarquin is also surprised by the weakness of the private sector's political and technical analysis. He expressed the need for analysis of the new agreements between Nicaragua and Venezuela. He also commented that FUNIDES has been particularly disappointing.

¶6. (C) Jarquin suggested that good analysis of the national election results would help spur an MRS-ALN alliance. He believes that of the 900,000 votes that the ALN and MRS won together (ALN - 700,000 and MRS -- 200,000), about 300,000 to 400,000 are a "voto duro" (hard vote) for the ALN and MRS parties. The majority -- 500,000 to 600,000 -- were simply anti-Pact votes, and were not for one party or another. These voters would like to see the MRS and ALN united and would most likely be more supportive of ALN/MRS consensus candidates in the municipal elections. Jarquin reported that he planned to speak with Raul Obregon of M&R about an opinion poll that would target the anti-Pact vote and views of the ALN and MRS.

On Ortega and the Future
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¶8. (C) Jarquin claimed that he is more optimistic than his colleagues about the situation in Nicaragua. Stating that Somoza was at his strongest five years before he fell, Jarquin opined that the current strength of the Aleman-Ortega pact is a sign of the end, or the "last hurrah." Jarquin added that Ortega will be at an advantage if he is only attacked by the right. Therefore, the left must also challenge him and closely monitor his actions.

¶9. (C) Jarquin believes that Ortega and Arnoldo Aleman will do anything to prevent a repeat of 2006, when the anti-Pact forces were actually a real threat to the continuing power of the pact. As soon as Montealegre started spendi~jVQPLC and continue the division among the Liberals. Jarquin predicted that there would be some kind of announcement on Montealegre and the CENIs issue after Easter week, but he still believes that it is hard to make too much of an issue out of it without spooking the banking sector.

¶10. (C) According to Jarquin, Ortega is not a detail-oriented person and the recent trend toward micromanagement -- for example controlling the travel of all ministers -- is new and can be attributed to Rosario Murillo's influence. Jarquin believes that Vice President Jaime Morales has no role in the new administration except for helping with public relations. According to Jarquin, Nicaragua is Ortega's to lose -- he inherited the best possible situation, particularly in terms of the economy that was strengthened during the Bolanos administration. That said, what made Ortega's win possible, according to Jarquin, is the fact that there has not been any real poverty alleviation in Nicaragua. The paradigms of democracy and a market economy have not worked for the poor in Latin America.

¶11. (SBU) Jarquin speaks English adequately, although he is more comfortable speaking in Spanish. His wife attended part of the meeting.
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